Proposal for Legislation -- 2009

(for the 2009 Legislative Session)

RETURN TO: Dave Bohyer, Research Director

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http://test.leg.mt.gov/css/committees/interim/2007_2008/st_admin_vet_affairs/default.asp

PROPOSER'S NAME/TITLE: Brad Johnson

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1. What is the problem or issue?

Corporations and uniform commercial code laws may need to be updated to implement electronic records practices and procedures and record retention.

2. What do you want the legislation to do?

The Secretary of State's office is implementing major electronic filing and retention procedures that will streamline electronic records retention, filing, accounting and retention processes in the Secretary of States office. We have not yet identified any statutory modifications that may need to occur to implement that system, but do anticipate that those revisions will be identified before the next legislative session

- 3. If possible, please list the MCA (Montana Code Annotated) sections that would need to be amended.
- 4. If the proposed change requires additional funding, what funding sources do you propose (e.g., an increase in or both)?

5. Has similar legislation been requested in the past, been introduced in another state, or provided as a model act? If so, please provide a citation, reference, or point of contact.

No.

The Business Services Unit of the Secretary of State's office is responsible for registering businesses, recording lien documents, and maintaining these documents through systems that require manual workaround by users. The business application is an old "mainframe" database that requires the Secretary of States office to outsource for maintenance. During the past six years, the Business Services Unit has developed several on-line applications and the Secretary of State's Office needs to continue efforts in implementing more automated solutions to meet customer's needs. On-line applications promote customer service by providing easier/efficient access to information enabling prompt and accurate services.

Montana is not alone in this effort. Many other states such as Delaware, District of Columbia, Hawaii, Kansas, Louisiana, Maine, Michigan, Minnesota, Mississippi, Nebraska, North Carolina, Virginia and Washington are in the different stages of implementing systems. Many of these states are moving more towards electronic processing of documents to streamline workflows and increase productivity.

6. If you are a holdover senator or a legislative candidate running unopposed, do you want the Legislative Services Division staff to consider this a bill draft request?

PLEASE RETURN YOUR PROPOSAL FOR LEGISLATION by May 30, 2008

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